

NEXIA CORPORATE CONSULTANTS (PVT) LTD.

(PV 106)

Corporate Secretaries & Management Consultants

4th August 2023.

Ms. Nilupa Perera
Senior Vice President,
Listed Entity Compliance,
Colombo Stock Exchange,
04-01 West Block,
Echelon Square,
World Trade Center,
Colombo 1

Dear Madam,

SINGHE HOSPITALS PLC. - AUDITOR'S REPORT CONTAINING QUALIFIED AUDIT OPINION

We write in accordance with Rule 7.5 (d) (ii) (A) (5) of the Listing Rules of the Colombo Stock Exchange.

- a) The Shares of the Company was transferred to the Watch List of the CSE with effect from 19th July 2023 as the Audited Financial Statements for the year ended 31st March 2023 contain a Qualified Audit Opinion, as per Rule 7.5 (d) (ii) (A) (4).
- b) The remedial action proposed to be taken by the Company to resolve the matters giving rise to the Qualified Audit Opinion is that the Company has been providing the balance tax amounts in the books of the Company with effect from April 2023.
- c) The time period for remedial action will be 6 months with effect from 1st April 2023.
- d) In terms of Rule 7.5(d)(ii)(A)(5)(d) of the Listing Rules of the CSE, the company further announces that,
 - (i) In the event of any deviation from the proposed remedial action, the extent of the deviation shall be communicated to the investors by way of a subsequent announcement to the Market via the Exchange within one (01) Market Day from the date of obtaining the approval of the Board of Directors of the company for such deviation;
 - (ii) In the event the matters giving rise to the Qualified Audit opinion are not resolved within a period of fifteen (15) months from the date of transferring the Securities of the company to the Watch List, the trading of Securities of the company shall be suspended. In the event the trading suspension continues for a period in excess of twelve (12) months, the securities of the company shall be delisted by the Board of Directors of the CSE in terms of Rule 11.3(a) of the Listing Rules.

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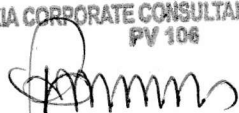
Directors : Mrs. C. R. Weragala ACIS (U.K), Mrs. S. K. Piyasena B.Sc

**NCCL
SECRETARIES MANAGEMENT CONSULTANTS
COLOMBO.**

- (iii) In the event the matters giving rise to the Qualified Audit opinion are resolved, and such fact is independently verified by an Auditor during the period the securities of the entity are on the watch list, it shall be announced to the market via the CSE forthwith.

By Order of the Board of Singhe Hospitals PLC
NEXIA CORPORATE CONSULTANTS (PVT) LTD

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SECRETARIES

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